

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

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SILVER STATE INTELLECTUAL  
TECHNOLOGIES, INC.,

Plaintiff,

v.

GARMIN INTERNATIONAL, INC. and  
GARMIN USA, INC.,

Defendants.

2:11-CV-01578-PMP-PAL

ORDER

Presently before the Court is Plaintiff's Motion to Strike Portions of Defendants' First Amended Non-Infringement, Invalidity, and Unenforceability Contentions (Doc. #93), filed on October 25, 2013. Defendants Garmin International, Inc. and Garmin USA, Inc. filed an Opposition (Doc. #94) on November 8, 2013. Plaintiff Silver State Intellectual Technologies, Inc. filed a Reply (Doc. #97) on November 18, 2013. Plaintiff filed a Supplemental Memorandum (Doc. #108) with supporting Declaration (Doc. #109) and Exhibit (Doc. #110) on March 3, 2014. Defendants filed a Response to Plaintiffs' Supplemental Memorandum (Doc. #113) on March 10, 2014.

Also before the Court is Defendants' Motion for Partial Summary Judgment (Doc. #115), filed on March 21, 2014. Plaintiff filed an Opposition (Doc. #117) on April 18, 2014. Defendants filed a Reply (Doc. #123) on May 2, 2014.

## I. BACKGROUND

Plaintiff Silver State Intellectual Technologies, Inc. (“Silver State”) owns the legal rights to United States Patent Nos. 6,525,768 (the ‘768 Patent), 6,529,824 (the ‘824 Patent), 7,702,455 (the ‘455 Patent), 7,522,992 (the ‘992 Patent), 7,593,812 (the ‘3812 Patent), 7,739,039 (the ‘039 Patent), 7,650,234 (the ‘234 Patent), 7,343,165 (the ‘165 Patent), and 6,542,812 (‘2812 Patent). Silver State’s patents generally cover various navigation processes and devices.

Silver State filed a Complaint against Defendants Garmin International, Inc. and Garmin USA, Inc. (together, “Garmin”), alleging Garmin sells navigation devices that infringe Silver State’s patents. (Compl. (Doc. #1).) Garmin filed an Answer, asserting that it does not directly or indirectly infringe Silver State’s patents, as well as various other defenses. (Garmin’s Ans. to Silver State’s Compl. & Countercl. (Doc. #21).) Garmin also asserted counterclaims seeking declarations that the asserted patent claims are invalid and that Garmin does not infringe any valid asserted patent claim. (*Id.*) Silver State filed an Answer to Garmin’s counterclaims, denying that Garmin is entitled to a declaration of invalidity or non-infringement. (Pl.’s Reply to Countercls. of Garmin (Doc. #25).)

Prior to claim construction, the Court granted the parties’ stipulations to dismiss all claims and counterclaims related to the ‘165 Patent and the ‘2812 Patent. (Order Granting Stip. (Doc. #49); Order Granting Stip. (Doc. #58).) On August 13, 2013, the Court entered a claim construction Order for the disputed patent claim terms. (Order (Doc. #83).) Following the Court’s claim construction Order, the parties stipulated to dismiss all claims and counterclaims related to the ‘768, ‘824, and ‘234 Patents. (Order Granting Stip. (Doc. #92); Order Granting Stip. (Doc. #96).) The four Silver State patents that remain in this case are the ‘455 Patent, the ‘992 Patent, the ‘3812 Patent, and the ‘039 Patent.

Plaintiff Silver State now moves to strike portions of Garmin’s First Amended Non-Infringement, Invalidity, and Unenforceability Contentions (“Amended Contentions”).

1 Silver State contends Garmin has not shown good cause for the amendments because  
2 Garmin was not diligent and Silver State would be prejudiced. Garmin responds that the  
3 amendments are highly relevant, Garmin exercised diligence following the Court's claim  
4 construction Order, and any prejudice to Silver State can be cured.

5         Garmin separately moves for partial summary judgment. Garmin contends the  
6 '992 Patent claims asserted in this case are invalid because Garmin's product, StreetPilot,  
7 and a third party product, DeLorme's Map'n'Go 4.0, anticipate the '992 Patent claims.  
8 Garmin also argues Garmin's accused products do not infringe the '455 Patent because the  
9 Court should construe the asserted claims to require two-way communication, but Garmin's  
10 accused products use only one-way broadcast technology. Silver State responds that neither  
11 StreetPilot nor Map'n'Go 4.0 anticipate the '992 Patent. Silver State also argues the  
12 Court's claim construction Order already found the '455 Patent encompasses one-way  
13 communications, Garmin has waived any arguments the '455 Patent is limited to two-way  
14 communications, and the evidence supports the finding that the '455 Patent covers one-way  
15 communications.

## 16 **II. SILVER STATE'S MOTION TO STRIKE**

17         Silver State moves to strike portions of Garmin's Amended Contentions, arguing  
18 Garmin served the Amended Contentions on the last day of fact discovery, and for the first  
19 time identified prior art which Garmin asserts renders Silver State's patents invalid. Silver  
20 State contends Garmin was not diligent in locating and identifying this prior art, which  
21 includes Garmin's own products (StreetPilot, 250XL, NavTalk, and their manuals), two  
22 third-party products (the 1998 Lexus GS400 and the Atlanta Traveler Information System),  
23 five patents, and the publication entitled "The Evolution of ADVANCE."

24         Silver State also objects to Garmin's addition of new legal arguments regarding  
25 alleged lack of enablement or written description with respect to the '455, '992, and '3812  
26 Patents. Silver State contends that because these arguments are based on the disclosures in

1 these patents, they have been available to Garmin since the inception of the case. Finally,  
2 Silver State objects to new invalidity arguments with respect to the '039 Patent based on  
3 references disclosed in Garmin's original contentions, and because Garmin has not been  
4 diligent in amending its contentions based on information it has had for a long time.

5 Silver State argues the Court should not allow late amendment because Garmin  
6 cannot show good cause to amend due to Garmin's lack of diligence. Additionally, Silver  
7 State contends allowing the amendments would prejudice Silver State because fact  
8 discovery is closed, and Silver State will not have an opportunity to investigate these  
9 amendments.

10 Garmin responds that good cause exists for the amendments based on the Court's  
11 claim construction Order, which Garmin asserts was adverse to Garmin and gave a broad  
12 construction in Silver State's favor. Garmin argues that the Local Rules contemplate  
13 amendments by accused infringers following an adverse claim construction ruling, and the  
14 Nevada Local Rules do not require Garmin to show prior art was newly discovered after a  
15 prior diligent search as Silver State contends. Garmin asserts each new prior art reference  
16 was located in response to the Court's claim construction of certain terms. Garmin argues  
17 that its new legal arguments arose out of the Court's claim construction as well.

18 As to the ADVANCE publication, Garmin asserts Silver State has been on notice  
19 about this prior art since Garmin's preliminary contentions and Silver State took no  
20 discovery related to this prior art. As to two of the patents, Garmin argues they are related  
21 to a minor dependent claim limitation in the '3812 patent, and Silver State does not identify  
22 any specific discovery it would take or any prejudice it would suffer in relation to these two  
23 patents being identified as prior art.

24 Finally, Garmin argues its newly added prior art is highly relevant to show  
25 invalidity, and any prejudice to Silver State can be remedied. Specifically, Garmin  
26 proposes to extend the discovery deadlines to allow Silver State to take discovery from

1 Garmin and third parties related to the Amended Contentions. Garmin also asserts Silver  
2 State has passed up opportunities to conduct the discovery which Silver State now contends  
3 would be required.

4 Under the District of Nevada's adopted Local Rules for Patent Cases ("Local  
5 Patent Rules"), a party claiming patent infringement must serve on the opposing party a  
6 disclosure of asserted claims and infringement contentions within fourteen days of the  
7 initial scheduling conference. LR 16.1-6. Within forty-five days of service of this  
8 disclosure, a party opposing a claim of patent infringement must disclose and serve its  
9 contentions regarding non-infringement, invalidity, and unenforceability. LR 16.1-8.  
10 These contentions must include "detailed description[s] of the factual and legal grounds"  
11 for contentions of non-infringement, invalidity, and unenforceability. LR 16.1-8(a)-(b), (f).  
12 The disclosures must identify any prior art on which the invalidity contentions rely. LR  
13 16.1-8(b). A party may amend its disclosures "for good cause without leave of Court  
14 anytime before the discovery cut-off date." LR 16.1-12. However, once discovery closes,  
15 the disclosures may be amended "only by order of the Court upon a timely showing of good  
16 cause." Id.

17 As of June 29, 2012, the parties had served on each other their initial contentions  
18 and responses thereto. (Notice of Service of Contentions (Doc. #40).) On September 07,  
19 2012, the parties produced their first claim construction chart to the Court, with each side's  
20 proposed construction of the disputed terms. (Jt. Claim Constr. & Prehearing Statement  
21 (Doc. #47).) By November 2012, the parties completed briefing on claim construction.  
22 (Opening Br. (Doc. #53); Ans. Br. (Doc. #54); Reply Br. (Doc. #55).) On December 17,  
23 2012, the parties filed an amended claim construction chart. (Notice of Second Am. Jt.  
24 Claim Constr. Chart (Doc. #60).) The parties filed another amended claim construction  
25 chart on April 1, 2013. (Notice of Am. Disputed Claim Terms Summary Sheet & Proposed  
26 Order of Presentation (Doc. #73).) The Court held a claim construction hearing on April 5,

1 2013. (Mins. of Proceedings (Doc. #74).) The Court issued its claim construction Order on  
2 August 13, 2013. (Order (Doc. #83).) Garmin served Silver State with its First Amended  
3 Preliminary Non-Infringement, Invalidity, and Unenforceability Contentions on October 18,  
4 2013, the last day of fact discovery in this case. (Pl.'s Mot. to Strike Portions of Defs.' First  
5 Am. Non-Infringement, Invalidity, & Unenforceability Contentions (Doc. #93), Ex. 4;  
6 Order on Stip. to Extend Fact & Expert Discovery Cutoff Dates (Doc. #86).)

7 **A. Good Cause Standard**

8 The parties dispute this District's good cause standard under the Local Patent  
9 Rules. Silver State contends that to establish good cause to amend contentions, Garmin  
10 must show it was diligent both in discovering the prior art or legal arguments, and in  
11 moving to amend its contentions. Garmin argues the good cause requirement is met if the  
12 Court construes claim terms differently than the proposed constructions offered by the  
13 amending party. Garmin contends "the amending party need not also demonstrate that the  
14 prior art was newly found despite an earlier diligent search." (Defs.' Resp. to Pl.'s Mot. to  
15 Strike (Doc. #94) ["Garmin Opp'n"] at 2.)

16 The District of Nevada's Local Patent Rules, like the local patent rules for the  
17 Northern District of California, are designed to require the parties to provide "early notice  
18 of their infringement and invalidity contentions, and to proceed with diligence in amending  
19 those contentions when new information comes to light in the course of discovery." O2  
20 Micro Int'l Ltd. v. Monolithic Power Sys., Inc., 467 F.3d 1355, 1365-66 (Fed. Cir. 2006)  
21 (discussing local patent rules for the Northern District of California). "The rules thus seek  
22 to balance the right to develop new information in discovery with the need for certainty as  
23 to the legal theories." Id. at 1366. The requirement that amendments be made only for  
24 good cause "disallows infringement contentions from becoming moving targets throughout  
25 the lawsuit." CBS Interactive, Inc. v. Etilize, Inc., 257 F.R.D. 195, 201 (N.D. Cal. 2009)  
26 (quotation omitted). In contrast to the liberal policy for amending pleadings under Rule 15,

1 “the philosophy behind amending claim charts [under the Local Patent Rules] is decidedly  
2 conservative and designed to prevent the ‘shifting sands’ approach to claim construction.”  
3 Genentech, Inc. v. Amgen, Inc., 289 F.3d 761, 774 (Fed. Cir. 2002) (quotation omitted)  
4 (discussing local rules for the Northern District of California).

5 Local Patent Rule 16.1-12 provides a list of “[n]on-exhaustive examples of  
6 circumstances that may, absent undue prejudice to the non-moving party, support a finding  
7 of good cause,” including “a claim construction by the Court different from that proposed  
8 by the party seeking amendment.” As the Rule states, these examples may, but do not  
9 necessarily, constitute good cause. The fact that the Court adopts a claim construction  
10 different from that proposed by the party seeking to amend does not necessarily constitute  
11 good cause to amend, particularly where the Court adopts the construction proposed by the  
12 other party, as such a construction would not come as a surprise to the party seeking to  
13 amend. See Finisar Corp. v. DirecTV Group, Inc., 424 F. Supp. 2d 896, 901-02 (E.D. Tex.  
14 2006); Verinata Health, Inc. v. Sequenom, Inc., No. C 12-00865 SI, 2014 WL 789197, at \*2  
15 (N.D. Cal. Feb. 26, 2014) (unpublished).

16 In addition to establishing a reason for the amendment, the good cause standard  
17 requires the party seeking to amend to establish it acted diligently. O2 Micro Int’l Ltd., 467  
18 F.3d at 1366; see also Johnson v. Mammoth Recreations, Inc., 975 F.2d 604, 609 (9th Cir.  
19 1992) (holding, in an analogous context, that the good cause standard “primarily considers  
20 the diligence of the party seeking the amendment”). Finally, the Court considers whether  
21 the opposing party would be unfairly prejudiced by “eleventh-hour alterations.” Finisar  
22 Corp., 424 F. Supp. 2d at 900 (quotation omitted). Enforcement of the Local Patent Rules  
23 lies within the Court’s discretion. Genentech, Inc., 289 F.3d at 774.

#### 24 **B. StreetPilot, NavTalk, 250XL, and 1998 Lexus GS400**

25 Garmin’s initial contentions did not identify StreetPilot, NavTalk, 250XL, or the  
26 1998 Lexus GS400 as prior art for the ‘992, ’3812, or ‘039 Patents. (Mot. to Strike, Ex. 2 at

1 37-40, 43-44.) Garmin's Amended Contentions added StreetPilot and the 1998 Lexus  
2 GS400 as prior art for the '992 Patent; StreetPilot, 250XL, and NavTalk for the '3812  
3 Patent; and the 1998 Lexus GS400 for the '039 Patent. (Mot. to Strike, Ex. 4 at 127, 130-  
4 31, 136.)

5 In support of allowing the amendment, Garmin contends the Court rejected  
6 Garmin's proposed construction of the "user preferences" claim limitations in the '992,  
7 '3812, and '039 Patents, and consequently, "the accused concept of saving a particular  
8 location for later reference . . . gained substantial importance" following the claim  
9 construction Order. (Garmin Opp'n at 4.) Garmin states that as a result of the Court's  
10 construction of this claim term, Garmin renewed efforts to identify prior art and amended its  
11 contentions to add three of its own products, StreetPilot, NavTalk, and 250XL, and a third  
12 party product, the 1998 Lexus GS400. (Id.) Silver State counters that Garmin has known  
13 about the possibility that the Court would adopt Silver State's proposed construction of the  
14 user preferences limitations for a long time, and Garmin therefore was not diligent in  
15 disclosing these prior art references. Silver State also contends it has been prejudiced  
16 because Garmin did not amend its contentions until the last day of fact discovery.

17 In the Court's claim construction Order, the Court construed the user preferences  
18 claim limitations as not being limited to types of goods and service providers, and that the  
19 limitations required no further construction. (Order (Doc. #83) at 30.) In doing so, the  
20 Court rejected Garmin's proposed constructions. (Id. at 29-30.) The Court instead adopted  
21 Silver State's proposed construction of a plain and ordinary meaning without imposing the  
22 additional limitations suggested by Garmin. (Id. at 24-30.)

23 This is not a case where the Court's claim construction Order adopted an  
24 unexpected construction that would prompt the parties to evaluate anew any applicable  
25 prior art. Silver State made its arguments about the proper construction of the user  
26 preferences term limitations in its Opening Claim Construction Brief, filed in September



1 2012. (Silver State's Consol. Opening Claim Constr. Br. (Doc. #53) at 15-18.)

2 Consequently, at least as of September 27, 2012, almost a year before the Court's claim  
3 construction Order, Garmin was on notice of Silver State's proposed construction. Garmin  
4 has not explained why it did not investigate the newly identified prior art upon receiving  
5 Silver State's claim construction brief instead of waiting to see how the Court would  
6 construe the user preferences claim limitations. Garmin was aware of the risk, and should  
7 have prepared for the possibility, that the Court would adopt Silver State's proposed  
8 construction. The Local Patent Rules do not contemplate allowing a party to postpone  
9 disclosures in the hope the Court will adopt its proposed claim constructions, and disclosing  
10 all pertinent contentions and supporting prior art only after the party loses at claim  
11 construction. Garmin's position is further weakened by the fact that Garmin bears the  
12 burden of establishing the invalidity defense to which the late-disclosed prior art relates.  
13 Garmin has not shown it was diligent in locating the prior art it now seeks to add to its  
14 contentions supporting its affirmative defense of invalidity.

15 Garmin also has not shown it was diligent in amending its contentions following  
16 the Court's claim construction Order. The responding party typically has forty-five days  
17 from receipt of the initial disclosures to file contentions regarding invalidity, enforceability,  
18 and infringement. LR 16.1-8. Garmin nevertheless waited over two months following the  
19 Court's claim construction Order to file its amendments. Garmin's lack of diligence is  
20 particularly egregious with respect to StreetPilot, NavTalk, and 250XL—three of its own  
21 products. Garmin does not explain why it waited so long to identify its own products as  
22 prior art following the Court's claim construction Order, yet Garmin surely was aware of  
23 the possibility the Court would adopt Silver State's proposed constructions for nearly a  
24 year.

25 In addition to Garmin's lack of diligence, Silver State would be prejudiced by  
26 allowing the late amendment, particularly with respect to StreetPilot. By Garmin's own

1 version of events, Garmin did not give Silver State notice that it might amend its  
2 contentions to add StreetPilot as prior art until October 4, 2013, just two weeks before fact  
3 discovery closed, when Garmin produced the StreetPilot manual. (Garmin Opp’n, Decl. of  
4 Paul R. Hart at 3.) Even this belated “notice” was cryptic, as Garmin relies on the fact that  
5 Silver State should have recognized the StreetPilot manual was Bates-stamped as “GARM-  
6 PRIART” to put Silver State on notice that Garmin was considering adding StreetPilot as  
7 prior art. Garmin likewise produced “GARM-PRIART” stamped documents relating to the  
8 Lexus GS400, NavTalk, and 250XL on September 13, 2013. (Id.) Garmin advised Silver  
9 State it was going to inspect the Lexus GS400 in the possession of a third party, and invited  
10 Silver State to attend, on September 20, 2013. (Id.) Garmin and Silver State inspected the  
11 Lexus GS400 at the third party’s facility on September 23, 2013. (Id.) However, Garmin  
12 did not actually amend its contentions to add this prior art until October 18, 2013, the last  
13 day of fact discovery.

14           Although Silver State had more notice with respect to the Lexus GS400 prior to  
15 the close of fact discovery, and in fact participated in the inspection, given Garmin’s lack of  
16 diligence generally and the tight time frame for completion of fact discovery, Silver State  
17 would be prejudiced by allowing the late disclosure of all of these prior art references.  
18 Given Garmin’s lack of diligence in identifying these prior art references, the Court will not  
19 allow further extension of the discovery deadlines. See ChemFree Corp. v. J. Walter, Inc.,  
20 250 F.R.D. 570, 574 (N.D. Ga. 2007) (“Enough time and money will eventually cure any  
21 prejudice caused by late disclosure of information, but that will not result in the just, speedy  
22 and inexpensive determination of every action.” (quotation omitted)).

23           In sum, although good cause to amend may arise when the Court’s claim  
24 construction is different from that proposed by the party seeking amendment, the Court  
25 concludes that in this case, the Court’s claim construction Order does not constitute good  
26 cause for Garmin to amend to add the StreetPilot, NavTalk, 250XL, and the 1998 Lexus

1 GS400 as prior art for Garmin's invalidity contentions. Garmin has not shown it was  
2 diligent in locating these prior art references. Garmin also has not demonstrated it was  
3 diligent in seeking to amend its contentions following the Court's claim construction Order.  
4 Finally, the late amendments would cause prejudice to Silver State. The Court therefore  
5 will grant Silver State's Motion to Strike Garmin's Amended Contentions related to the  
6 StreetPilot, NavTalk, 250XL, and the 1998 Lexus GS400.

### 7 **C. The Atlanta Traveler Information System**

8 Garmin's initial contentions did not include the Atlanta Traveler Information  
9 System as prior art for the '455 Patent. (Mot. to Strike, Ex. 2 at 45-46.) Garmin's  
10 Amended Contentions added the Atlanta Traveler Information System as prior art for the  
11 '455 Patent. (Mot. to Strike, Ex. 4 at 139.)

12 In support of allowing the amendment, Garmin contends the Court rejected  
13 Garmin's proposed construction of "a request for data concerning traffic pertaining to an  
14 area" in the '455 Patent. (Garmin Opp'n at 4.) Garmin contends that in response to the  
15 Court's Order, Garmin renewed efforts to locate prior art and added the Atlanta Traveler  
16 Information System as a result. Silver State asserts that Garmin has known about the  
17 possibility that the Court would adopt Silver State's proposed construction of this claim  
18 limitation for a long time, and Garmin therefore was not diligent in disclosing this prior art  
19 reference. Silver State also contends it has been prejudiced because Garmin did not amend  
20 its contentions until the last day of fact discovery.

21 In the Court's claim construction Order, the Court construed the limitation "a  
22 request for data concerning traffic pertaining to an area" by adopting Silver State's proposal  
23 and rejecting Garmin's proposed limitation. (Order (Doc. #83) at 20-21.) For the same  
24 reasons as discussed above, the Court concludes Garmin has not shown it was diligent in  
25 amending its contentions to add the Atlanta Traveler Information System. Garmin was  
26 aware of the risk, and should have prepared for the possibility, that the Court would adopt

1 Silver State's proposed construction. Additionally, Garmin was not diligent in amending  
2 its contentions to add this prior art following the Court's claim construction Order.

3 Although Garmin produced "GARM-PRIART" documents related to the Atlanta Traveler  
4 System to Silver State on September 13, 2013, Garmin did not amend to add this prior art  
5 reference until October 18, 2013, over two months after the Court's claim construction  
6 Order and the last day of fact discovery. Finally, for the reasons discussed above, Silver  
7 State would be prejudiced by the late amendment. The Court therefore will grant Silver  
8 State's Motion to Strike Garmin's Amended Contentions related to the Atlanta Traveler  
9 System.

10 **D. U.S. Patent Nos. 5,406,490, 5,933,094, and 6,438,561**

11 Garmin's initial contentions did not include U.S. Patent Nos. 5,406,490,  
12 5,933,094, and 6,438,561 as prior art for the '234 Patent. (Mot. to Strike, Ex. 2 at 41.)  
13 Garmin's Amended Contentions listed these patents as prior art for the '455 Patent. (Mot.  
14 to Strike, Ex. 4 at 133.)

15 In support of allowing the amendment, Garmin contends the Court rejected  
16 Garmin's proposed construction of claim 17 of '234 Patent. (Garmin Opp'n at 4-5.)  
17 Garmin contends that in response to the Court's Order, Garmin renewed efforts to locate  
18 prior art and added U.S. Patent Nos. 5,406,490, 5,933,094, and 6,438,561 as a result. Silver  
19 State asserts that Garmin has known about the possibility that the Court would adopt Silver  
20 State's proposed construction of this claim limitation for a long time, and Garmin therefore  
21 was not diligent in disclosing this prior art reference. Silver State also contends it has been  
22 prejudiced because Garmin did not amend its contentions until the last day of fact  
23 discovery.

24 In construing claim 17 of the '234 Patent, the Court rejected Garmin's proposed  
25 construction of the claim and generally adopted Silver State's proposed construction with  
26 minor clarification. (Order (Doc. #83) at 33-34.) For the same reasons as discussed above,

1 the Court concludes Garmin has not shown it was diligent in amending its contentions to  
2 add U.S. Patent Nos. 5,406,490, 5,933,094, and 6,438,561. Once again, Garmin was aware  
3 of the risk, and should have prepared for the possibility, that the Court would adopt Silver  
4 State's proposed construction. Garmin does not identify anything about the Court's  
5 proposed construction that specifically triggered a different search for prior art, relying  
6 solely on the fact that the Court did not adopt Garmin's proposed construction.  
7 Additionally, Garmin was not diligent in amending its contentions to add this prior art  
8 following the Court's claim construction Order. Although Garmin produced "GARM-  
9 PRIART" documents related to U.S. Patent Nos. 5,406,490, 5,933,094, and 6,438,561 to  
10 Silver State on September 13, 2013, Garmin did not amend to add these prior art references  
11 until October 18, 2013, over two months after the Court's claim construction Order and the  
12 last day of fact discovery. Finally, for the reasons discussed above, Silver State would be  
13 prejudiced by the late amendment. The Court therefore will grant Silver State's Motion to  
14 Strike Garmin's Amended Contentions related to U.S. Patent Nos. 5,406,490, 5,933,094,  
15 and 6,438,561.

#### 16 **E. Enablement**

17 Garmin's initial contentions did not contain arguments regarding invalidity under  
18 35 U.S.C. § 112. (Mot. to Strike, Ex. 2.) Garmin's amended contentions added invalidity  
19 contentions under 35 U.S.C. § 112 with respect to the '455 Patent for failing to meet the  
20 written description requirement, and with respect to the '992, '3812, and '234 Patents for  
21 lack of enablement and written description. (Mot. to Strike, Ex. 4 at 122-24.)

22 In support of allowing Garmin to amend to add new contentions regarding  
23 enablement, Garmin contends that "[w]hen the Court rejected Garmin's proposed  
24 constructions on the '992, '812, and '455 Patents, it opened the door for these legal  
25 invalidity challenges." (Garmin Opp'n at 5.) Silver State contends Garmin was not diligent  
26 in waiting two months to amend to add new legal arguments.

Garmin does not elaborate on what specifically in the Court's Order opened the door to the amended legal arguments of invalidity under 35 U.S.C. § 112. Garmin also does not explain why Garmin could not have anticipated these invalidity contentions based on Silver State's proposed constructions prior to the Court's claim construction Order. Moreover, Garmin does not explain why it waited over two months following the Court's claim construction Order to add the new legal arguments. Garmin thus has not established it was diligent in amending its contentions. Silver State has not identified any prejudice specific to the amended legal contentions. Nevertheless, the Court concludes Garmin's lack of diligence warrants granting Silver State's Motion to Strike the new legal arguments regarding invalidity under 35 U.S.C. § 112.

#### **F. ADVANCE and TravTek**

In its initial contentions, Garmin identified the ADVANCE system as prior art for the '234 Patent but did not identify TravTek as prior art for the '234 Patent. (Mot. to Strike, Ex. 2 at 41-42.) Similarly, Garmin identified TravTek as prior art for the '039 Patent, but did not identify ADVANCE as prior art for the '039 Patent. (Id. at 41-44.) In its amended contentions, Garmin added TravTek as prior art to the '234 Patent, and added ADVANCE as prior art to the '039 Patent. (Mot. to Strike, Ex. 4 at 132-33, 136-37.)

In support of allowing the amendment, Garmin argues Silver State has been on notice of these prior art citations since Garmin served its preliminary contentions on May 16, 2012, yet Silver State took no discovery in relation to either one. Garmin thus argues Silver State was aware of this prior art and would not be prejudiced because Silver State passed up prior opportunities to conduct discovery on this prior art. Silver State argues that Garmin knew about this prior art from the time it served its initial contentions, yet it did not specify that both prior art references applied to both patents. Silver State thus contends Garmin was not diligent in amending to add this prior art to apply to the '234 or '039 Patents. Silver State also asserts that Garmin admits nothing in the Court's claim

1 construction Order generated the amendment, and Garmin has offered no other explanation  
2 for why it waited until the end of fact discovery to amend to add these contentions.

3         Garmin offers no good cause to support the amendment. Garmin does not  
4 suggest the Court's claim construction Order prompted the amendment, and Garmin offers  
5 no other explanation for why Garmin did not make the amendment earlier. Garmin thus has  
6 not established it was diligent in amending its contentions. Although Silver State knew  
7 about these prior art references, Silver State did not know until the last day of discovery that  
8 Garmin was contending both prior art references applied to both patents. Silver State  
9 therefore would be prejudiced by the late amendment. The Court concludes Garmin's lack  
10 of diligence warrants granting Silver State's Motion to Strike the amendments adding  
11 TravTek as prior art for the '234 Patent and adding ADVANCE as prior art to the '039  
12 Patent.

13         **G. U.S. Patent Nos. 4,506,377 and 6,230,136**

14         Garmin's Amended Contentions added as prior art for the '3812 Patent two new  
15 patents not previously disclosed, U.S. Patent Nos. 4,506,377 and 6,230,163. (Mot. to  
16 Strike, Ex. 2 at 39, Ex. 4 at 130.) In support of allowing the amendment, Garmin contends  
17 U.S. Patent Nos. 4,506,377 and 6,230,136 each relates only to a "minor dependent claim  
18 limitation in the '812 Patent," no discovery would be needed to address this prior art, and  
19 Silver State will suffer no prejudice from this amendment. Silver State argues Garmin  
20 admits the Court's claim construction Order did not prompt the amendment and Garmin has  
21 offered no explanation for why it waited to make the amendment.

22         Once again, Garmin offers no good cause to support the amendment. Garmin  
23 does not suggest the Court's claim construction Order prompted the amendment, and  
24 Garmin offers no other explanation for why Garmin did not make the amendment earlier.  
25 Garmin thus has not established it was diligent in amending its contentions. Late  
26 amendment would prejudice Silver State, which did not know until the last day of fact



1 discovery that Garmin was contending these prior art references applied to the ‘3812 Patent.  
2 Silver State therefore would be prejudiced by the late amendment. The Court concludes  
3 Garmin’s lack of diligence and prejudice to Silver State warrant granting Silver State’s  
4 Motion to Strike the amendments adding U.S. Patent Nos. 4,506,377 and 6,230,163 as prior  
5 art to the ‘3812 Patent.

### 6 **III. GARMIN’S MOTION FOR PARTIAL SUMMARY JUDGMENT**

7           Garmin separately moves for partial summary judgment. Garmin contends the  
8 ‘992 Patent claims asserted in this case are invalid because Garmin’s product, StreetPilot,  
9 and a third party product, DeLorme’s Map’n’Go 4.0, anticipate the ‘992 Patent claims.  
10 Garmin also argues Garmin’s accused products do not infringe the ‘455 Patent because the  
11 Court should construe the asserted claims to require two-way communication, but Garmin’s  
12 accused products use only one-way broadcast technology. Silver State responds that neither  
13 StreetPilot nor Map’n’Go 4.0 anticipate the ‘992 Patent. Silver State also argues the  
14 Court’s claim construction Order already found the ‘455 Patent encompasses one-way  
15 communications, Garmin has waived any arguments the ‘455 Patent is limited to two-way  
16 communications, and the evidence supports the finding that the ‘455 Patent covers one-way  
17 communications.

18           Summary judgment is appropriate if the pleadings, the discovery and disclosure  
19 materials on file, and any affidavits show that “there is no genuine dispute as to any  
20 material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P.  
21 56(a), (c). A fact is “material” if it might affect the outcome of a suit, as determined by the  
22 governing substantive law. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248 (1986). An  
23 issue is “genuine” if sufficient evidence exists such that a reasonable fact finder could find  
24 for the non-moving party. Villiarimo v. Aloha Island Air, Inc., 281 F.3d 1054, 1061 (9th  
25 Cir. 2002). Initially, the moving party bears the burden of proving there is no genuine issue  
26 of material fact. Leisek v. Brightwood Corp., 278 F.3d 895, 898 (9th Cir. 2002). If the



1 moving party meets its burden, the burden shifts to the non-moving party to produce  
2 evidence that a genuine issue of material fact remains for trial. Id. The Court views all  
3 evidence in the light most favorable to the non-moving party. Id.

4 **A. Anticipation of the ‘992 - StreetPilot**

5 The Court has granted Silver State’s Motion to Strike Garmin’s Amended  
6 Contentions adding StreetPilot as prior art for the ‘992 Patent. The Court therefore will  
7 deny Garmin’s Motion for Partial Summary Judgment to the extent it is based on  
8 StreetPilot.

9 **B. Anticipation of the ‘992 - Map’n’Go 4.0**

10 Garmin contends that a year prior to Silver State’s invention set forth in the ‘992  
11 Patent, DeLorme released for sale to the public Map’n’Go 4.0, a navigation software that  
12 was intended to be installed on a laptop computer and combined with a GPS receiver to  
13 operate as a vehicle navigation system. Garmin contends Map’n’Go 4.0 was on sale prior  
14 to the claimed invention in the ‘992 Patent, and Map’n’Go 4.0 anticipates every claim  
15 limitation in claims 23-24 and 26-33 of the ‘992 Patent.

16 Silver State opposes Garmin’s Motion, arguing that Garmin did not disclose in its  
17 contentions the theory that Map’n’Go 4.0 in combination with a laptop and GPS receiver  
18 anticipated the ‘992 Patent, and the Court therefore should not consider this theory. Silver  
19 State also objects to evidence Garmin presents in support of its arguments that Map’n’Go  
20 4.0 anticipates the ‘992 Patent. Finally, Silver State contends that even if the Court  
21 considers Garmin’s theory and evidence, Garmin has failed to meet its burden of  
22 demonstrating by clear and convincing evidence that Map’n’Go 4.0 in combination with a  
23 laptop and GPS receiver anticipates the ‘992 Patent.

24 **1. Disclosure of Combination of Prior Art**

25 The Court will consider Garmin’s affirmative defense that Map’n’Go 4.0 in  
26 combination with a laptop and GPS receiver anticipates the ‘992 Patent under 35 U.S.C.

1 § 102(b). Garmin disclosed Map'n'Go 4.0 in its initial disclosures as prior art which may  
2 anticipate the asserted claims in the '992 Patent under 35 U.S.C. § 102. (Mot. to Strike, Ex.  
3 2 at 15-17, 37-38.) In its amended disclosures, Garmin again identified Map'n'Go 4.0 as  
4 prior art for the '992 Patent for anticipation purposes. (Opp'n to Mot. Summ. J. (Doc.  
5 #117), Ex. 17 at 786-87, 803-27.) Garmin's prior art chart with respect to the '992 Patent  
6 lists Map'n'Go 4.0 without reference to the laptop and GPS receiver, but Garmin provides a  
7 more detailed invalidity chart which references the combination of Map'n'Go 4.0 with a  
8 laptop and GPS receiver. (Compare id. at 803 with id. at 807-09.) Garmin could have been  
9 more specific, but the chart sufficiently discloses the combination of Map'n'Go with a  
10 laptop and GPS receiver.

11 2. 35 U.S.C. § 102(b) - On Sale Bar

12 Garmin argues the '992 Patent is invalid because it was anticipated by prior art  
13 that was on sale for one year prior to the critical filing date for the '992 Patent, October 19,  
14 1998. Specifically, Garmin argues Map'n'Go 4.0, a navigation software package, was on  
15 sale at least by April 20, 1998, as demonstrated by a press release announcing the public  
16 availability of the software. Garmin contends that during discovery, Silver State did not  
17 deny that Map'n'Go 4.0 was on sale before October 1998. Finally, Garmin contends  
18 Map'n'Go 4.0, in combination with a laptop and GPS receiver, meets every claim limitation  
19 of the '992 Patent, thereby rendering the Patent invalid as anticipated by prior art that was  
20 on sale for one year prior to the critical date.

21 Silver State responds by objecting to the evidence Garmin produces in support of  
22 its Motion as unauthenticated, hearsay, and the subject of averments by counsel who lacks  
23 personal knowledge. Silver State also argues that Garmin has not shown that Map'n'Go 4.0  
24 combined with a laptop and GPS receiver was sold or offered for sale before the critical  
25 date. Silver State also disputes that Map'n'Go 4.0 combined with a laptop and GPS  
26 receiver meets every claim limitation of the '992 Patent. Silver State thus contends Garmin

1 has not met its burden of showing invalidity by clear and convincing evidence.

2 A patent is invalid as anticipated under 35 U.S.C. § 102(b)<sup>1</sup> if “the invention was  
3 . . . on sale in this country, more than one year prior to the date of the application for patent  
4 in the United States . . . .” Because “[a]n issued patent is presumed valid,” the party  
5 challenging the patent’s validity bears the burden of showing it is invalid by clear and  
6 convincing evidence. Minn. Min. & Mfg. Co. v. Chemque, Inc., 303 F.3d 1294, 1301 (Fed.  
7 Cir. 2002).<sup>2</sup> The on-sale bar thus applies when the party challenging the patent’s validity  
8 shows by clear and convincing evidence that prior to the critical date, (1) the product was  
9 “the subject of a commercial offer for sale,” and (2) the invention was “ready for  
10 patenting.” Pfaff v. Wells Elec., Inc., 525 U.S. 55, 67-68 (1998).

11 To determine whether the product was the subject of a commercial offer for sale,  
12 the Court generally refers to the Uniform Commercial Code (“UCC”) and the Restatement  
13 of Contracts. Minn. Min. & Mfg. Co., 303 F.3d at 1307-08; Group One, Ltd. v. Hallmark  
14 Cards, Inc., 254 F.3d 1041, 1048 (Fed. Cir. 2001). “Only an offer which rises to the level  
15 of a commercial offer for sale, one which the other party could make into a binding contract  
16 by simple acceptance (assuming consideration), constitutes an offer for sale under  
17 § 102(b).” Group One, Ltd., 254 F.3d at 1048; Hamilton Beach Brands, Inc. v. Sunbeam  
18 Prods., Inc., 726 F.3d 1370, 1374-75 (Fed. Cir. 2013) (stating that an offer for sale must be  
19 “sufficiently definite that another party could make a binding contract by simple  
20 acceptance” (quotation omitted)). In contrast, “advertising and promoting of a product may  
21

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22 <sup>1</sup> The pre-Leahy-Smith America Invents Act version of 35 U.S.C. § 102 applies in this case  
23 because the ‘992 Patent was issued April 21, 2009. See (Compl. (Doc. #1), Ex. E); Leahy-Smith  
24 America Invents Act, Pub. L. 112-29, 125 Stat. 285, § 35 (Sept. 16, 2011) (stating that the Act applies  
to patents issued on or after the Act’s effective date, which was one year after the date of enactment).

25 <sup>2</sup> Clear and convincing evidence means “evidence which produces in the mind of the trier of  
26 fact an abiding conviction that the truth of [the] factual contentions are highly probable.” Buildex Inc.  
v. Kason Indus., Inc., 849 F.2d 1461, 1463 (Fed. Cir. 1988).

1 be nothing more than an invitation for offers, while responding to such an invitation may  
2 itself be an offer.” Group One, Ltd., 254 F.3d at 1048 (citing Restatement (Second) of  
3 Contracts § 26 (1981)). To determine whether an offeror has made a definite offer, the  
4 Court examines “the language of the proposal itself.” Id. The offer for sale need not be  
5 authorized by the patentee to trigger the on-sale bar. ResQNet.com, Inc. v. Lansa, Inc., 594  
6 F.3d 860, 866 (Fed. Cir. 2010).

7 Whether “a product was placed on sale prior to the critical date is a conclusion of  
8 law based on underlying findings of fact.” Minn. Min. & Mfg. Co., 303 F.3d at 1301.  
9 Whether a patent is anticipated is a question of fact, but the Court may resolve anticipation  
10 at summary judgment if there are no genuine issues of material fact. Zenith Elec. Corp. v.  
11 PDI Commc’n Sys., Inc., 522 F.3d 1348, 1356-57 (Fed. Cir. 2008); Minn. Min. & Mfg. Co.,  
12 303 F.3d at 1301.

13 Garmin has failed to establish by clear and convincing evidence that no genuine  
14 issue of material fact remains that Map’n’Go 4.0 was sold or offered for sale before the  
15 critical date of October 19, 1998. First, Garmin offers no evidence of any actual sales.  
16 Second, Garmin relies on Silver State’s answers to Garmin’s requests for admissions during  
17 discovery and an April 20, 1998 press release as evidence that Map’n’Go 4.0 was on sale  
18 over one year prior to the critical date. In response to Garmin’s request that Silver State  
19 admit that Map’n’Go 4.0 was on sale prior to October 1998, Silver State responded that it  
20 could “neither admit nor deny this Request.” (Decl. of Paul Hart in Support of Garmin’s  
21 Mot. Partial Summ. J. (Doc. #116) [“Hart Decl.”] at 3 & Ex. M at 117-18.) Silver State’s  
22 response was not an admission, and does not constitute clear and convincing evidence that  
23 Map’n’Go 4.0 was offered for sale before the critical date.

24 The April 20, 1998 press release, attached as Exhibit L to the declaration of  
25 Garmin’s attorney, Paul Hart (“Hart”), is unauthenticated hearsay which cannot support a  
26 summary judgment motion. Orr v. Bank of Am., NT & SA, 285 F.3d 764, 773, 776 (9th

1 Cir. 2002). Hart avers that Exhibit L “is a true and correct copy of an April 20, 1998 Press  
2 Release for DeLorme’s Map’n’Go 4.0, retrieved from [www.thefreelibrary.com](http://www.thefreelibrary.com) on  
3 September 10, 2013.” (Hart Decl. at 3.) Although Hart may authenticate the fact that he  
4 obtained the press release from this website, Hart provides no information about the website  
5 from which he obtained this press release such that the Court could conclude the press  
6 release is authentic. Hart has not explained how he would have personal knowledge of  
7 whether DeLorme actually issued a press release on April 20, 1998 regarding Map’n’Go  
8 4.0. Further, assuming the news release is authentic, it is hearsay to the extent Garmin  
9 seeks to offer it for the truth of the matter asserted, that Map’n’Go 4.0 was available for  
10 purchase. Garmin has not offered any nonhearsay use for the press release nor has Garmin  
11 proposed a hearsay exception for admitting the press release into evidence in response to  
12 Silver State’s hearsay objection.

13 In its Reply, Garmin contends its expert, Dr. William Michalson, relied on the  
14 press release to opine that Map’n’Go 4.0 was released around April 20, 1998, and Garmin  
15 argues an expert may rely on hearsay evidence to opine on a release date. However, Dr.  
16 Michalson does not opine in the attached appendix to his report that Map’n’Go 4.0 was  
17 released around April 20, 1998. Rather, he states that it was his “understanding” that  
18 Map’n’Go was released around April 20, 1998. (Hart Decl. at 3 & Ex. I at 19-20.) It is  
19 unclear from this language whether Dr. Michalson was making a finding on the point, or  
20 whether he was relying on what had been represented to him. To the extent he was offering  
21 an opinion regarding release date, Dr. Michalson does not explain what he means by the  
22 term “released.” Specifically, he does not opine in the excerpts provided that Map’n’Go 4.0  
23 was actually sold or the subject of an actual offer to sell before the critical date for the ‘992  
24 Patent for purposes of the on-sale bar. In a declaration attached to the reply, Dr. Michalson  
25 states that in his initial report, he “concluded” that Map’n’Go 4.0 was released around April  
26 20, 1998, and he based this conclusion on the press release, the fact that the product is

1 marked as the 1998 edition, the fact that many of the permanent files are dated April 2,  
2 1998 or earlier, and the last page of the product insert has “rel 4/98” printed on the page.  
3 (Reply in Support of Garmin’s Mot. Partial Summ. J. (Doc. #123) [“Garmin MPSJ Reply”],  
4 Decl. of William R. Michalson.) However, Garmin did not rely on an opinion regarding a  
5 sale date from Dr. Michalson in its initial Motion, and Silver State has not had an  
6 opportunity to respond to these arguments or to Dr. Michalson’s new declaration submitted  
7 in support of Garmin’s Reply. See Vasquez v. Rackauckas, 734 F.3d 1025, 1054 (9th Cir.  
8 2013); Provenz v. Miller, 102 F.3d 1478, 1483 (9th Cir. 1996).

9 Even if the Court considered the April 20, 1998 press release, the press release  
10 was an invitation for offers, not an offer for sale. Generally, advertising is not an offer to  
11 sell. See Mesaros v. United States, 845 F.2d 1576, 1580-81 (Fed. Cir. 1988); Restatement  
12 (Second) Contracts § 26 cmt. b (“Advertisements of goods by display, sign, handbill,  
13 newspaper, radio or television are not ordinarily intended or understood as offers to sell.”).  
14 This is so because it generally “is considered unreasonable for a person to believe that  
15 advertisements and solicitations are offers that bind the advertiser. Otherwise, the  
16 advertiser could be bound by an excessive number of contracts requiring delivery of goods  
17 far in excess of amounts available.” Mesaros, 845 F.2d at 1581.

18 Assuming the Map’n’Go 4.0 press release is authentic, it refers consumers to  
19 retail stores and DeLorme’s phone number or website to make a purchase. It thus appears  
20 to be an advertisement directed at the general public, and as such constitutes an invitation  
21 for offers, not a firm offer for sale. As further evidence the press release is not an offer for  
22 sale, the press release provides only “an estimated street price of \$39.” The material price  
23 term therefore is not sufficiently definite such that a consumer could make a binding  
24 contract simply by accepting the press release’s terms. Garmin therefore has not presented  
25 clear and convincing evidence of an actual sale or actual offer for sale of Map’n’Go 4.0.

26 ///

1 In its Reply, Garmin contends that “[b]ecause there is no question that a  
2 commercial product in the stream of commerce is ‘on sale,’ and because the evidence  
3 demonstrates Map’n’Go 4.0 was placed in the stream of commerce, Silver State’s reliance  
4 on case law directed to patentee commercialization is misplaced.” (Garmin MPSJ Reply at  
5 12.) Garmin presents no law for the proposition that Garmin need not prove actual sales or  
6 actual offers to sell where the allegedly anticipating product derives from a third party,  
7 rather than the patentee. The Court concludes there is no basis for such a distinction,  
8 particularly in light of the standard that invalidity based on the on-sale bar is an affirmative  
9 defense that must be shown by clear and convincing evidence.

10 Garmin has failed to present any admissible evidence, much less clear and  
11 convincing evidence, negating any issues of fact to support a finding of invalidity under the  
12 on-sale bar in § 102(b). Moreover, even if the Court considered the evidence presented,  
13 that evidence does not establish that no genuine issue of fact remains that Map’n’Go 4.0  
14 was actually sold or the subject of an actual offer for sale prior to the critical date. The  
15 Court therefore will deny Garmin’s Motion for Partial Summary Judgment to the extent it is  
16 based on the on-sale bar under § 102(b) with respect to Map’n’Go 4.0.

### 17 **C. Infringement of the ‘455 Patent**

18 Garmin contends its accused products do not infringe the ‘455 Patent as a matter  
19 of law because the Court should construe the ‘455 Patent to cover two-way  
20 communications, meaning the inventive apparatus must send a request for data to an  
21 external data provider, but Garmin’s accused products are one-way communication devices,  
22 meaning they receive data but do not request it from an external data provider. Garmin  
23 contends it did not seek claim construction on this point because the issue of one-way  
24 versus two-way communication was not a focus of the litigation prior to claim construction.  
25 Garmin asserts the issue did not arise until Silver State’s expert opined that the claim  
26 limitation requiring the product to “request” traffic data would include a request within the



1 accused device, rather than a request to an external data provider. Garmin argues Silver  
2 State disclaimed one-way communications before the U.S. Patent and Trademark Office  
3 (“PTO”) to distinguish prior art, and thus Silver State is barred from asserting the ‘455  
4 Patent covers one-way communications. Garmin asserts Silver State’s expert agreed that  
5 Silver State disclaimed one-way communication during patent prosecution. Garmin also  
6 contends that even if Silver State did not disclaim one-way communications, the Court  
7 should construe the ‘455 Patent to cover only two-way communication based on the claim  
8 language and the written description of the invention.

9 Silver State responds that Garmin waived any argument that the ‘455 Patent is  
10 limited to two-way communication because Garmin did not present this argument at the  
11 claim construction stage. Silver State also contends the Court already construed the ‘455  
12 Patent to include receipt of broadcast radio frequencies, which would constitute one-way  
13 communication. Silver State contends this was not a new theory generated by Silver State’s  
14 expert as Garmin argues. Rather, Silver State asserts that Silver State has accused Garmin’s  
15 one-way communication devices from the outset, and Silver State’s claim construction brief  
16 described devices that receive FM radio broadcasts. Silver State also argues Garmin’s own  
17 expert recognized that Silver State was claiming infringement by one-way communication  
18 devices before Silver State served its expert report on Garmin. Silver States contends the  
19 claim language and written description confirm the ‘455 Patent is not limited to two-way  
20 communication. Finally, Silver State denies it disavowed one-way communication through  
21 patent prosecution.

### 22 1. Timeliness

23 Garmin contends it did not request the Court determine whether the ‘455 Patent  
24 requires two-way communication at the claim construction phase because Silver State did  
25 not disclose its theory that the device did not have to make a request to an external data  
26 provider until Silver State’s expert issued his report after claim construction was complete.



1 Silver State asserts that it has accused Garmin's one-way communication devices from the  
2 beginning of the case, and Garmin thus should have requested claim construction on this  
3 issue. Silver State contends Garmin waived this argument by not seeking a construction by  
4 the Court during the claim construction phase.

5 Silver State's initial disclosures, dated March 1, 2012, accused Garmin devices  
6 which received FM broadcasts, and stated that when these devices "are connected to a  
7 powered traffic receiver, such as an FM, XM or MSN Direct receiver, a processing unit  
8 within the product forms a request for location-specific traffic data from the receiver."  
9 (Silver State's Opp'n to Garmin's Mot. Partial Summ. J. (Doc. #117), Decl. of Marko R.  
10 Zoretic ["Zoretic Decl."], Ex. 3 at 412, 452.) Silver State thus accused what Garmin refers  
11 to as one-way communication devices from early in this case. Consequently, Garmin could  
12 and should have requested the Court construe the '455 Patent to determine whether it  
13 required as a claim limitation that the request from the processor be sent to an external data  
14 provider, as Garmin now asserts. Garmin waived this argument by failing to raise it during  
15 claim construction. See Central Admixture Pharmacy Servs., Inc. v. Advanced Cardiac  
16 Solutions, P.C., 482 F.3d 1347, 1356 (Fed. Cir. 2007).

## 17 2. Claim Construction

18 Even if the Court considered Garmin's arguments and construed the claim terms,  
19 the Court would reject Garmin's proposed limitations. "To ascertain the scope and meaning  
20 of the asserted claims, [courts] look to the words of the claims themselves, the specification,  
21 the prosecution history, and, if necessary, any relevant extrinsic evidence." 01  
22 Communique Lab., Inc. v. LogMeIn, Inc., 687 F.3d 1292, 1295-96 (Fed. Cir. 2012)  
23 (quotation omitted). The Court begins by examining the claim language, giving the claim's  
24 words their ordinary and customary meaning to a person of ordinary skill in the art.  
25 Function Media, L.L.C. v. Google, Inc., 708 F.3d 1310, 1320 (Fed. Cir. 2013); Acumed  
26 LLC v. Stryker Corp., 483 F.3d 800, 805 (Fed. Cir. 2007). The Court also considers the

1 context of the surrounding words of the claim. ACTV, Inc. v. Walt Disney Co., 346 F.3d  
2 1082, 1088 (Fed. Cir. 2003); Exxon Chem. Patents, Inc. v. Lubrizol Corp., 64 F.3d 1553,  
3 1557 (Fed. Cir. 1995) (stating courts “must give meaning to all the words in [the] claims”).  
4 If the claim language is clear on its face, then consideration of intrinsic evidence is limited  
5 “to determining if a deviation from the clear language of the claims is specified.”  
6 Interactive Gift Exp., Inc. v. Compuserve Inc., 256 F.3d 1323, 1331 (Fed. Cir. 2001).

7 Furthermore, the Court must construe the claims “in view of the specification[] of  
8 which they are a part.” Phillips v. AWH Corp., 415 F.3d 1303, 1315 (Fed. Cir. 2005).  
9 (quotation omitted). For example, the patentee may act as its own “lexicographer” and give  
10 a specialized definition of a claim term either explicitly or implicitly, in which case the  
11 specification acts as a dictionary for the patent. Abbott Labs. v. Sandoz, Inc., 566 F.3d  
12 1282, 1288 (Fed. Cir. 2009); Phillips, 415 F.3d at 1319-21. “Likewise, inventors and  
13 applicants may intentionally disclaim, or disavow, subject matter that would otherwise fall  
14 within the scope of the claim.” Abbott Labs., 566 F.3d at 1288. However, in reviewing the  
15 specification, the Court must not read into the claims the limitations of particular  
16 embodiments and examples appearing in the specification. Id.

17 If the claim language is not clear after reviewing all intrinsic evidence, then the  
18 Court may refer to extrinsic evidence such as expert testimony, inventor testimony,  
19 dictionaries, learned treatises, and prior art not cited in the prosecution history. Zodiac Pool  
20 Care, Inc. v. Hoffinger Indus., Inc., 206 F.3d 1408, 1414 (Fed. Cir. 2000). “Relying on  
21 extrinsic evidence to construe a claim is proper only when the claim language remains  
22 genuinely ambiguous after consideration of the intrinsic evidence. Such instances will  
23 rarely, if ever, occur.” Interactive Gift Exp., 256 F.3d at 1332 (internal quotation omitted).

24 Claim 1 of the ‘455 Patent claims:

- 25 1. An information apparatus comprising:  
26 a processing element configured to form a request for data concerning  
traffic pertaining to an area, and to process responsive data to the

request, the responsive data being included in traffic data received from a data provider;  
 an interface device for requesting and receiving map information from digital map storage separate from the data provider; and  
 a display for showing thereon map information received from the digital map storage a location of the apparatus, and traffic information resulting from processing the responsive data, the shown map information including a plurality of waypoints indicating corresponding locations of goods or service providers on a map, the waypoints being selectable by a user in an order, wherein the selected waypoints are processed and reordered to suggest to the user a route to the respective locations of good or service providers corresponding to the reordered waypoints.

(Garmin’s Mot. Partial Summ. J. (Doc. #115) [“Garmin MPSJ”], Ex. P at cols. 17-18.)

Claims 2 through 7 of the ‘455 Patent are dependent on claim 1. (Id., col. 18.)

Claim 1’s plain language does not require the request be sent to an external data provider. Rather, it requires the processing element be configured to form a request and to process responsive data for that request, with the responsive data consisting of traffic data received from an external data provider. For example, the device could store traffic data received from an external data provider in memory, such that the processor queries the memory, not an external data provider, for responsive data. Requiring the request be sent to an external data provider would add a limitation not present in the claim language.

The specification confirms this reading. The specification refers to the processor accessing internal data storage and removable data storage devices. (Id. at col. 8, ll. 1-8.) While the device periodically may update data provided by an external data provider, the request for data concerning traffic pertaining to an area is not necessarily sent directly to an external data provider, but instead may be sent to, and responsive data received from, the device’s memory. (Id. at col. 10, ll. 42-44, col. 14, ll. 17-34, col. 16, ll. 2-11 & 20-25.) Additionally, the specification discusses situations where the “information would be sent and received by way of a Local Area Broadcast via radio frequency signals to each home, car or PCD within a reception area[.]” (Id. at col. 3, ll. 35-45.) The specification explains “[t]his would be advantageous to small towns with little information available for travelers,

1 but which have an interest in providing up-to-date traffic, weather and travel advisories to  
2 benefit the local community and businesses.” (Id.) The specification thus contemplates an  
3 embodiment where the device would receive information from an external data provider via  
4 radio signal without a request sent from the device to the information provider. Although  
5 the specification also discusses embodiments of the invention which will send the data  
6 request directly to an external data provider, the Court must not read limitations from a  
7 preferred embodiment into the claim language. (See, e.g., id. at col. 14, ll. 1-6.) The Court  
8 therefore rejects Garmin’s proposed construction that the inventive device must send the  
9 request to an external data provider based on the claim language and specification.

### 10 3. Patent Prosecution

11 Garmin also contends that even if the claim language and specification do not  
12 support Garmin’s proposed limitation, the patent applicants disavowed a device that did not  
13 send a request to an external data provider during patent prosecution. In construing a claim,  
14 the Court may consider the patent’s prosecution history, which consists of “the complete  
15 record of the proceedings before the PTO and includes the prior art cited during the  
16 examination of the patent.” Phillips, 415 F.3d at 1317. The prosecution history “provides  
17 evidence of how the PTO and the inventor understood the patent,” and it may show whether  
18 the patentee “limited the invention in the course of prosecution, making the claim scope  
19 narrower than it would otherwise be.” Id.; Cordis Corp. v. Medtronic Ave, Inc., 511 F.3d  
20 1157, 1177 (Fed. Cir. 2008) (stating a patent applicant “can make a binding disavowal of  
21 claim scope in the course of prosecuting the patent, through arguments made to distinguish  
22 prior art references”). However, “because the prosecution history represents an ongoing  
23 negotiation between the PTO and the applicant, rather than the final product of that  
24 negotiation, it often lacks the clarity of the specification and thus is less useful for claim  
25 construction purposes.” Phillips, 415 F.3d at 1317. The Court should find disavowals  
26 based on prosecution history “only if they constitute clear and unmistakable surrenders of

1 subject matter.” Cordis Corp., 511 F.3d at 1177.

2 Claim 1 of the ‘455 Patent originally was claim 65 of the patent application.  
3 (Opp’n to Mot. Partial Summ. J. (Doc. #117), Pl.’s Statement of Genuine Disputes  
4 Regarding Garmin’s Mot. Partial Summ. J. at 77.) During patent prosecution, the claims  
5 examiner rejected claims 51-65 as obvious in light of the Miyake and Dussell prior art.  
6 (Garmin MPSJ, Ex. Q at SS-G00002710-16.) In response to the examiner’s rejection, the  
7 applicants described the claimed invention as follows:

8 when specific traffic data is desired, a request for the specific traffic  
9 data is formed in the inventive apparatus. The request is then sent  
10 from the inventive apparatus to a data provider external to the  
11 apparatus. In response to the request, the data provider provides the  
12 inventive apparatus with the requested traffic data, which includes  
13 geographic location data.

12 (Id.) To overcome the claims examiner’s rejection, the applicants distinguished Miyake and  
13 Dussell as follows:

14 Miyake discloses a technique for multiplexed text broadcasting via FM  
15 broadcast. The Examiner attempted to read the inventive information  
16 apparatus 2 in Miyake. However, in Miyake, receiving apparatus 2,  
17 analogous to an FM radio, can only passively listen to signals from the  
18 FM broadcast by transmitting apparatus 3, but cannot actively request  
19 the broadcast operator to provide any specific data, let alone traffic  
20 data. Indeed, receiving apparatus 2 lacks the necessary data  
21 transmission capability for sending any such request.

18 Applicants respectfully submit that nowhere does Miyake,  
19 including the disclosure of receiving apparatus 2 cited by the  
20 Examiner, teach or suggest the inventive apparatus capable of two-way  
21 communications with an external data provider, which, among others,  
22 can “request data concerning traffic from [the] data provider, and to  
23 process responsive data to the request,” as claim 51 recites. Similarly,  
24 nowhere does Miyake teach or suggest the inventive apparatus which  
25 includes a “transmission element for causing transmission of a request  
26 for traffic data to [the] data provider,” and “a receiver for receiving  
data concerning traffic responsive to the request from the data  
provider,” as amended claim 58 now recites. Likewise, nowhere does  
Miyake teach or suggest the inventive apparatus which can be  
“configured to form a request for data concerning traffic . . . and to  
process responsive data to the request, the responsive data being  
included in traffic data received from a data provider,” as claim 65  
recites.

Dussell discloses a position based personal digital assistant.

1 However, like Miyake, Dussell fails to teach or suggest the above-  
2 quoted limitations requiring, among others, that the inventive apparatus  
3 request specific traffic data from an external data provider. A fortiori,  
4 both Miyake and Dussell fail to teach or suggest showing, on a display,  
5 traffic information resulting from processing the specific traffic data  
6 “responsive” to such a request, as claims 51, 58 and 65 further recite.  
7 As such, claims 51, 58 and 65, together with their dependent claims,  
8 are patentable over Miyake in view of Dussell.

9 (Id. at SS-G00002658-59 (ellipses in original, internal citations omitted).)

10 Although a close question, the Court finds the applicants did not clearly and  
11 unmistakably surrender an embodiment where the request is not sent to the data provider.  
12 The applicants sought to distinguish three different independent claims from Miyake and  
13 Dussell: proposed claims 51, 58, and 65 (which is now claim 1). Proposed claims 51 and  
14 58 contained express claim language that the device “request data from [the] data provider”  
15 in claim 51, and that the device have a “transmission element for causing transmission of a  
16 request for traffic data to [the] data provider” in claim 58. Claim 65, on the other hand,  
17 contained no such express language requiring that the request be sent to the data provider.  
18 Rather, claim 65 set forth claim limitations related to a processor configured to send a  
19 request and receive data in response, the responsive data being included in the traffic data  
20 received from a data provider.

21 The applicants distinguished all three claims from Miyake, which no party  
22 provides to the Court, but which is described in the patent prosecution history as a purely  
23 passive listening device. Thus, the applicants may have been distinguishing claim 65 on the  
24 basis that it set forth as a limitation that the processor form a request and receive a response  
25 for processing, which Miyake apparently cannot do given the applicants’ description of  
26 Miyake as “analogous to an FM radio.” (Mot. Partial Summ. J., Ex. Q at SS-G00002658.)  
It is thus unclear whether the applicants distinguished claim 65 from Miyake on the basis  
that the request must be sent externally from the device to an external data provider, as  
claims 51 and 58 unambiguously required, or whether the distinction was based on the

1 ability to send a request, receive a response, and process the response which consists of  
2 external provided data as claim 65 required. The specification, which includes a description  
3 of data being sent by an external data provider via FM broadcast of local traffic, suggests  
4 the applicants distinguished Miyake on grounds other than the transmission of the request to  
5 an external data provider. See Elbex Video, Ltd. v. Sensormatic Electronics Corp., 508  
6 F.3d 1366, 1372 (Fed. Cir. 2007) (stating inventor did not surrender claim scope where the  
7 alleged disavowing statement in the prosecution history was not supported by the  
8 specification).

9         The applicants also distinguished the proposed claims from the Dussell prior art,  
10 which no party provides to the Court, but which the applicants described in their response  
11 letter as “a position based personal digital assistant.” (Mot. Partial Summ. J., Ex. Q at SS-  
12 G00002659.) The applicants’ effort to distinguish Dussell is also ambiguous. The  
13 paragraph in which the applicants distinguish Dussell refers to “the above-quoted  
14 limitations requiring, among others, that the inventive apparatus request specific traffic data  
15 from an external data provider.” It is unclear whether the phrase, “above-quoted  
16 limitations,” refers to all three proposed claims. It also is unclear what the applicants meant  
17 by “among other[.]” limitations, and whether the “other” limitations referred to included the  
18 different claim language in claim 65. In addition to failing to provide the Court with either  
19 the Miyake or Dussell prior art references, the parties did not provide the Court with any  
20 further communication between the PTO and the applicants which might illuminate the  
21 ongoing conversation between the applicants and the PTO following the applicants’ above-  
22 quoted response to the examiner’s rejection of claims 51-65.

23         In sum, the Court concludes that while the prosecution history supports Garmin’s  
24 interpretation, the prosecution history and the evidence presented to the Court do not  
25 constitute a clear and unmistakable disavowal. Instead, the Court finds the claim language  
26 and specification reflect the invention which the PTO ultimately allowed. See Aventis



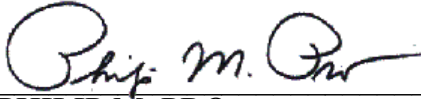
1 Pharma S.A. v. Hospira, Inc., 675 F.3d 1324, 1331 (Fed. Cir. 2012) (“The prosecution  
2 history can offer insight into the meaning of a particular claim term, but the [c]laim  
3 language and the specification generally carry greater weight.” (internal quotation omitted)).  
4 Neither the claim language nor the specification set forth the limitation in claim 1 that the  
5 invention send the request to an external data provider. Given the stringent standard to find  
6 disavowal, the inherent ambiguities in prosecution histories generally and in this  
7 prosecution history in particular, and in light of the allowed claim language and  
8 specification, the Court will not construe claim 1 of the ‘455 Patent to include such a  
9 limitation.

#### 10 **IV. CONCLUSION**

11 IT IS THEREFORE ORDERED that Plaintiff’s Motion to Strike Portions of  
12 Defendants’ First Amended Non-Infringement, Invalidity, and Unenforceability  
13 Contentions (Doc. #93) is hereby GRANTED.

14 IT IS FURTHER ORDERED that Defendants’ Motion for Partial Summary  
15 Judgment (Doc. #115) is hereby DENIED.

16  
17 DATED: July 24, 2014

18   
PHILIP M. PRO  
United States District Judge